



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

**Postal & Telecommunication Works, Rules
and Procedures (Application)**

AGP | CGA | PMAD | Public | KPG

May Exam-2026

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Solutions – Postal & Telecommunication Works, Rules and Procedures (Application)

Q.1. (Para-1 & 2 of Guidelines of Project Management)

The term project management covers all activities that are necessary to:

1. ensure that the project is implemented with due diligence to achieve planned objectives within approved cost and time frame;
2. to identify problems promptly as they arise, help resolve them, and modify the project if necessary, or as circumstances change;
3. to close a project if it is no longer justified, particularly if it can no longer achieve its developmental objectives and targets;
4. to draw significant lessons for designing future projects; and
5. to prepare completion reports.

Responsibilities of the Project Director

Project Director, who is the focal point in project implementation, is responsible for project execution according to its objectives, work scope and implementation schedule. Suitable and qualified Project Director should be appointed in case of each project that should not be transferred during currency of the project. Project Director should be delegated full administrative and financial powers to improve project management, supervision and help fix technical and financial responsibility.

No member of staff working under administrative control of the Project Director should be posted/transferred without his/her prior consent/concurrence.

As a team leader, the Project Director is under obligation to account for all actions, steps and decisions taken during project execution. It is advisable to set up headquarters of the Project Director as close to the site of work as possible preferably at site, to ensure his availability for spot decisions on unforeseen issues and other ancillary matters.

Project Director should supervise project and try his/her best to resolve day-to-day problems faced in implementation independently within the administrative and financial powers delegated to him/her for project execution. If necessary, he/she may seek help from concerned Federal Ministry and/or Provincial Government for resolving the problems.

Q.2. (a) If the amount of estimate is Rs. 100,000 and above 2% estimate fee will be deducted

Total cost of the estimate		Rs. 675,000/-
Estimating fee @ Rs. 2% (675,000 x 2%)	=	Rs. 13,500/-
Amount of refund is Rs. 675,000 – 13,500	=	Rs. 661,500/-

(b) Freight Charges 150,000 x 8% = Rs. 12,000

(c) Store Keeping charges x 2% = Rs. 3,000

Q.3. (Appendix-A PT&T Audit Guidelines Page-139 to 141)



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National Radio Telecommunication Corporation

Major function of National Radio Telecommunication Corporation (NRTC) is to assemble and manufacture the telecommunication equipment's for Armed forces of Pakistan. Its designated customers include Armed forces of Pakistan, Federal Government departments, Provincial

departments and such other Government agencies / institutions as the Federal Government may determine. NRTC also supplies such equipment's to other countries with the prior approval of Government of Pakistan.

Business Process:

The key function at NRTC is procurement of required supplies to fulfil the orders received. This involves procurement of the requisite materials from both local and foreign sources and maintenance of stores thereof. The purchase process is as follows:

Purchase requisition

- Sales orders are reconceived from various customers both Domestic and International;
- Based on the requirements purchase requisitions are raised by manufacturing department and a written copy sent to the stores department;
- In case the requisite items are available with stores, they are issued accordingly and the remaining requisition is forwarded to the purchase department for processing;

Tendering

- The ordering department identifies whether the required items are available locally or are required to be imported from abroad;
- Certain classified equipment required is obtained only from designated suppliers, a propriety certificate is issued for these purposes and orders are placed directly to the identified vendor;
- In case of local purchase the ordering department invites suppliers to raise quotations and tenders through press or by official letter;
- In case of pre-qualification quotations are called for from pre-qualified contractors;
- In case of defense related procurements orders are directly placed with the concerned organisations through official letters;
- Rates offered by the suppliers are scrutinised and comparative statements are prepared;

Order placement

- Ordering department places an order with the relevant supplier and records the details of the order on a sequentially numbered multi-part order form;
- One copy of purchase order stays in ordering, one goes to the supplier and one to the warehouse.
- When the goods arrive from the supplier, sequentially numbered multipart goods received note (GRN) is raised.
- One copy of GRN stays in the warehouse and is matched and stapled to the purchase order, one returns to the ordering department to match to their copy of the purchase order and one goes to the purchase daybook clerk to update the records.
- The details of the goods received note are entered into the purchase daybook and the GRN's are filed in numerical order.
- At the end of the day, the total of the purchase daybook is transferred to the general ledger.

Payments



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- Once the invoice is received it is matched to the detail on the ledger and is updated to reflect this;
- In case of any discrepancies the invoice is returned to the supplier for necessary correction and updation;
- Cheque is prepared in the name of the supplier;
- The invoice is then stamped as paid after getting it authorised by the finance manager.

Cash purchase

- Besides the above, cash purchases were also made through temporary advances on requirement basis;
- The temporary advance is granted to the incharge procurement branch who received demand from the concerned departments and subsequently purchases are made through purchase committee;
- The goods were entered in the store ledger as and when received and handed over to the concerned departments;
- The invoices are collected and an adjustment account is submitted to the Finance Department.

Import purchase

- Incase of import purchases orders are invited from designated suppliers through email;
- Memorandum of understanding (MOU) is then signed with the suppliers stating the terms and conditions of supply of material and payment and order is placed accordingly;
- Letter of credit is then opened in the name of the selected supplier;
- Goods are shipped by the supplier and a copy of bill of lading and details of shipment is sent to the ordering department;
- Delivery of the shipment is received at the port and goods are inspected for quality and quantity;
- Triplicate GRN is prepared and the material is handed over to the stores/warehouse for issuance to concerned departments;
- Entry is made in stores ledgers and record is updated;
- The procurement department monitors the overall process and incase of any lapse on part the supplier penalties/liquidated damages are imposed where applicable.

- Q.4.** i. New work cost is charged to head 300-Capital
ii. R&R and dismantling cost is charged to head 692-Renewal Reserve Fund
iii. Shifting cost is charged to head 1 to 585-28-480-Working expenses

Q.5.

FINAL CAPITAL COST BILL

1.	Cash	Rs. 925,000
2.	Stores	Rs. 575,000
3.	Freight Charges @1.5% on L&W (575,000 x 1.5 %)	<u>Rs. 8,625</u>



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	Sub-Total	Rs. 1,508,625
5.	a) Establishment Charges @ 14% (1,508,625 x 14%)	Rs. 211,207
	b) Estimation Fees @ 2% (1,508,625 x 2%)	<u>Rs. 312,175</u>
6.	Total Departmental Charges (5a & 5b)	Rs. 523,382
7.	Store Keeping Charges @ 5% on S.No.2 (575,000 x 5%) Rs. 28,750	
8.	Sub-Total (4 + 6)	Rs. 1,537,375
	Grand Total	Rs. 1,566,125
	Less Advance Payment Received	<u>Rs. 693,750</u>
	Amount Receivable	<u>Rs. 872,375</u>

Q.6. (Para-5 (5.5), Page-16, Guidelines of Project Management)

Stages of Supervision/Monitoring:

Monitoring of a development project has normally three broad phases, which may overlap:

1. Starting Phase

Supervision initially concentrates on ensuring timely preparation of PC-I including feasibility study, if necessary and finalization of financial arrangements including foreign aid etc. 5.7 A number of actions listed below are usually required to get the project take off to a good start:

- Approval of the project,
- Issuance of administrative approval,
- Establishment of organizational/institutional arrangements for implementing the project,
- Appointment of Project Director, key staff and consultants,
- Completion of local funding and foreign lending arrangements, and
- Preparation of cash/work plan and tender documents.

2. Investment/Execution Phase

Most supervision/monitoring are carried out during investment or project execution stage. Project Director has to keep sponsoring agency and Projects Wing of the Planning Commission informed of:

- Progress in all major aspects of a project,
- Any significant deviations from original plans with reasons and justifications, and
- Bottlenecks hindering the progress and steps necessary to keep project on track.

3. Completion/Operating Phase

Except for the preparation of Project Completion Report and Evaluation Report in case of completed projects; there is usually little monitoring left after the project has been completed.
